MANAGERIAL BEHAVIOUR AND ORGANIZATIONAL SURVIVAL OF OIL AND GAS FIRMS IN BONNY LOCAL GOVERNMENT AREA, RIVERS STATE

BY

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ABSTRACT

This study examined the relationship between managerial behavior and organizational survival of oil and gas firms in Bonny Local Government Area of Rivers State. The study investigated the extent to which proactive behavior, responsive behavior, and reactive behavior influence organizational survival indicators such as profitability, market share, and return on investment. The study adopted a cross-sectional survey research design. Primary data were obtained through structured questionnaires administered to staff of selected oil and gas firms in Bonny. Descriptive statistics and Spearman Rank Order Correlation Coefficient were used for data analysis with the aid of Statistical Package for Social Sciences (SPSS Version 22.0). The findings revealed that proactive managerial behavior significantly improves profitability and market competitiveness. Responsive managerial behavior enhances organizational adaptability, employee commitment, and customer satisfaction, while reactive managerial behavior contributes to crisis management and operational continuity. The study concluded that managerial behavior significantly influences organizational survival within the oil and gas sector. The study recommended that managers should adopt proactive and adaptive leadership strategies capable of sustaining long-term organizational competitiveness and operational efficiency.

Keywords: Managerial Behavior, Organizational Survival, Proactive Behavior, Responsive Behavior, Reactive Behavior, Profitability, Oil and Gas Firms.

INTRODUCTION

In understanding the current space of organizational operation and the evolving nature of our business world today, I would be easy to say that the way and manner at which the manner at which the manager should respond to the environment is decisive to the effective accomplishment of his role and objectives set. Stewart, (2023) posited that, the responsiveness of the manager is a mirror to his attitude and his apparent understanding of the environment which he finds or operates therein. Managerial behavior is the degree of actions, decisions and attitudes exhibited by managers in executing their roles within organizations. Miles (2020) further asserted that, it encompasses a wide range of activities such as, planning, organizing, leading, and controlling resources to achieve organizational set goals effectively. Managerial behavior is pertinent as it influences other employee attitude to work, organizational culture and the overall performance of the organization Managerial behavior plays a crucial role in determining organizational survival.

Recent studies have emphasized the significance of managerial behavior in achieving organizational sustainability (Wang et al., 2020). This section reviews the conceptual framework of managerial behavior and its impact on organizational survival. Managerial behavior refers to the actions, decisions, and leadership styles exhibited by managers in their daily work (Khan et al., 2021). It encompasses various aspects, including: - Leadership style (transformational, transactional, or laissez-faire)- Decision-making approach (autocratic, democratic, or participative)- Communication style (open, transparent, or reserved)- Problem-solving approach (analytical, intuitive, or collaborative) - Emotional intelligence (self-awareness, empathy, and social skills)

Effective managerial behavior is critical for organizational success, as it influences; employee engagement and motivation, team performance and productivity, organizational culture and climate, innovation and creativity, adaptability and resilience. Managerial behavior refers to how he perceives and respond to his environment, things managers do, how and why they do them in order to promote organizational prowess in achieving set goals. In the work of Morrison & Thompson, (2020), he identified some basic attributes of managers' behavior which are; proactive, responsive and reactive in nature; theses dimension forms the basis for this study is hinged. While there seems to be a common agreement that it refers to what managers do, the nature of what they do, how they do what they do, the determinants and consequences of what and how they do, what they do, and even why and how not to do what they do, and the specifications or details of these vary from one scholar to another. Managerial behavior are roles observable and identifiable behaviors or activities expected by the manager for efficient and effectiveness of the organization, it is a part manager plays in a given situation. Managers' plays different roles in organization for the achievement of predetermine objectives and it is of immerse importance for the behavior of the manager to produce expected outcomes that are measurable which are profitability, market share and return of investment. These outcomes then forms as critical indexes for ascertaining the degree at which managers' behavior accomplishes it predetermined objectives and goals.

The environments in which the organization carries out its objectives are critical to the stability and growth and survival of the organization. The consciousness of how to perform in an excepted manner in order to translate the energies disposed by the environment is a function of how the manager perceives and response to the environment. Given this narrative, it is observed that the rate at which the organizations strive to sustain growth and perpetuity has become a major concern within the business environment, where profit level has dwindled over a period of time, the competitive strive to acquire more market has been inadequately lowered, which are all traceable to the rate at which organizations are unable to integrate the harsh externalities of the environment into a concise growth matric for the organization. The inability of the organization to make projections or prediction towards future stability to advance productivity becomes unclear, It is of expectation that the manager's behavior is consequential in adverting or ensuring that the organization meets and surpasses the realization of its predetermined objectives in his proactivenes. Hence managers must constantly response and form adaptive measures that can transform treat opportunities into strength opportunities from the environment which he operates for the growth and survival of the organizations studied.

Conceptual Framework

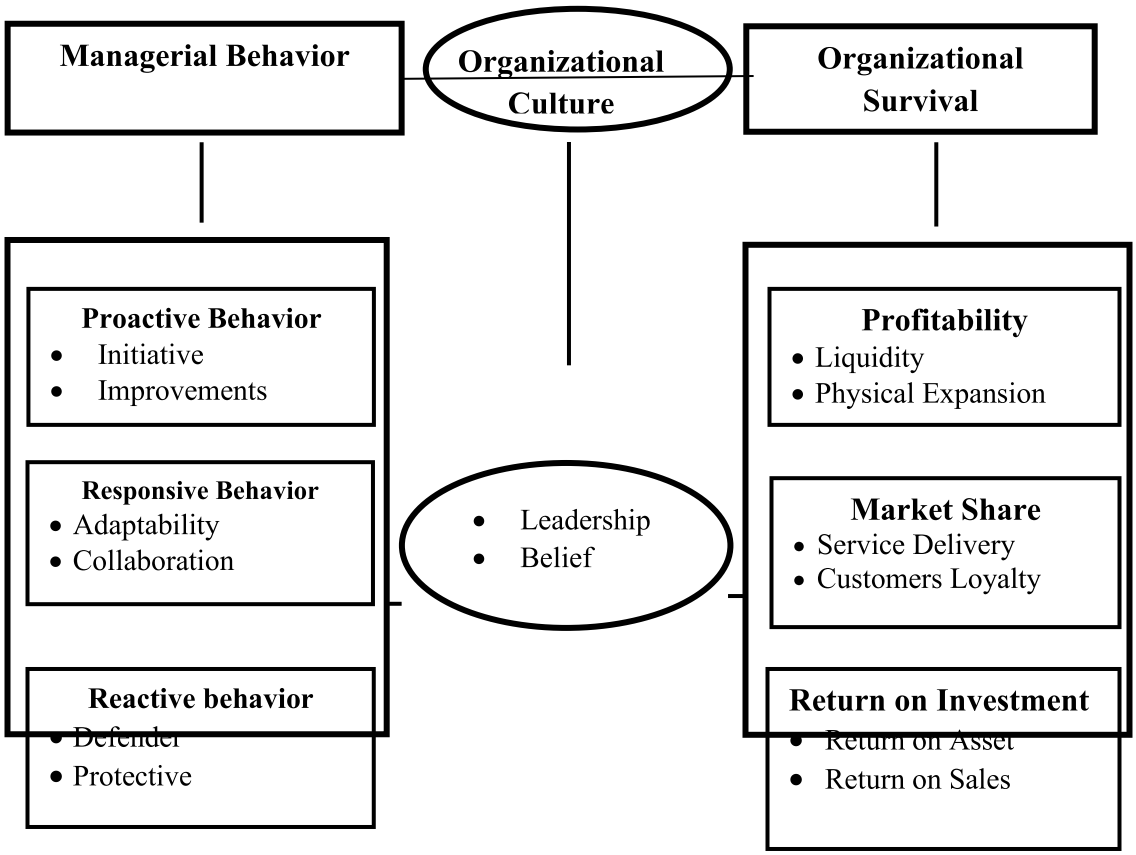

Figure 2.1: Adopted Conceptual Framework

Source: Greg & Nathalie (2020), Sulea & Virga (2020); and researcher's Conceptualization (2024)

The broad objective of the study is to examine the relationship between managerial behavior and organizational survival of oil and gas firms in Bonny Local Government Area of Rivers State.

The specific objectives are:

1. To find how proactive behavior correlates with profitability of firms in Bonny Local Government Area in Rivers Sate

2. To find how responsive behavior correlates with market shares of firms in Bonny Local Government Area in Rivers Sate
3. To find how reactive behavior correlates with return on investment of firms studied in Bonny Local Government Area in Rivers Sate

The following research questions guided the study:

1. What is the relationship between proactive behavior and profitability of firms in Bonny Local Government Area in Rivers State?
2. What is the relationship between responsive behavior and market shares of firms in Bonny Local Government Area in Rivers State?
3. What is the relationship between reactive behavior and return on investment of firms in Bonny Local Government Area in Rivers State?

The following hypotheses were tested:

Ho1: There is no significant relationship between proactive behavior and profitability.

Ho2: There is no significant relationship between Responsive behavior and market share.

Ho3: There is no significant relationship between Reactive behavior and return on investment.

Conceptual Review

This aspect of the study deals with the review of the concept of managerial behavior with its dimensions (proactive, responsive and reactive), the dependent variables measures (profitability, market share and Return on Investment (ROI) and the moderating variables (organizational culture) respectively. Managerial behavior is the degree of actions, decisions and attitudes exhibited by managers in executing their roles within organizations. It encompasses a wide range of activities such as, planning, organizing, leading, and controlling resources to achieve organizational set goals effectively. Managerial behavior is pertinent as it influences other employee attitude to work, organizational culture and the overall performance of the organization Managerial behavior plays a crucial role in determining organizational survival.

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Effective managerial behavior is critical for organizational success, as it influences: - Employee engagement and motivation - Team performance and productivity - Organizational culture and climate - Innovation and creativity - Adaptability and resilience. Managerial behavior refers to the things managers do, how and why they do them. While there seems to be a common agreement that it refers to what managers do, the nature of what they do, how they do what they do, the determinants and consequences of what and how they do, what they do, and even why and how not to do what they do, and the specifications or details of these vary from one scholar to another. Managerial behavior are roles observable and identifiable behaviors or activities expected by the manager for efficient and effectiveness of the organization, it is a part manager plays in a given situation. Managers' plays different roles in organization for the achievement of predetermine objectives.

Dimensions of Managerial Behavior

Proactive Behavior

Managerial Proactive behavior at work is about making things happen. It involves self-initiated, anticipatory action aimed at changing both the situation and the organization approaches. Examples include taking charge to improve work methods, proactive problem solving, using personal initiative, making i-deals, and proactive feedback seeking. In this chapter, we define proactive behavior and distinguish it from related concepts. We also identify higher-order categories of proactivity in the work place. We then summarize a model of the antecedents and outcomes of proactive behavior, as well as moderators of its effects on performance and other outcomes. We argue a review of this topic is timely given both academic developments and technological and social change occurring within the work place.

On a few occasions if there's something that's not working or is causing a duplication of work then I've challenged it. One particular incident is that there was processes not so long back where we'd send out a letter to a customer, and also leaves a message on their phone. So what we did - we evaluated that - so to leave a message first then, if there's no response, send a letter rather than doing both at the same time. I know it's only a little thing, but it saves a lot of time." The above quotation is from a call Centre agent whose job it is to sell energy. The behavior reported by the agent aptly illustrates individual proactivity - or self-starting, future-oriented behavior that aims to bring about change in one's self or the situation (Parker, S.K., & Jones, G.R. (2018). This particular comment is an example of proactive behavior that is aimed at improving organizational work processes, or changing the situation. Turner & Williams (2022) demonstrated that proactive leadership is a crucial driver of team innovation and performance. By understanding the mechanisms underlying this relationship, organizations can develop effective strategies to promote innovation and achieve competitive advantage. Several studies have found that managers who are proactive in this way also perform their job more effectively (Morrison & Thompson, 2020).

Managerial proactive behavior is regarded as a self-regulation process that involves envisioning, planning, enacting and reflecting, Ten Brummelhuis & Bakker (2012) we theorize that proactive behavior consumes personal resources that may impede the work-family conflict. Because workplace anxiety denotes an emotional state characterized by uneasiness and tension associated with resource loss. Cheng & McCarthy (2018) states that proactive behavior is positively related to workplace anxiety, which increases work family conflict, Parker et al., (2017) Proactive behavior is defined as an employee engaging in self-directed and future oriented changes in action in his or her work environment or work role this definition indicates three characteristics of proactive behavior: self-initiation, future focus, and change orientation. Ku et al., (2015) and Huo et al., (2019) perspective taking is often considered to be an active cognitive process- perspective takers mentally simulate what would be like to be, someone else and to see the world from that persons perspective, these has many positive benefits for organizations because it can increase psychological closeness, coordination, cooperation, proactive service performance, and helping. Parker et al., (2019) proactively may require an employee to focus on the future, challenge the status quo, and make[e] things happen. Although proactive behavior may promote career success organization survival, Tornau & Frese (2015), Scholars have argued that proactive behavior is not always appreciated by leaders and coworkers and may lead to some negative outcomes (Pingel et al 2019, Cangiano et al 2020, and Zhang et al 2020)

Responsive Managerial Behavior

Responsive managerial behavior refers to the ability of managers to adapt and react effectively to various situations, challenges, and opportunities within their organizational roles. Responsive managerial behavior involves adaptive actions taken in response to ongoing changes or feedback from stake holders. This behavior is critical for organizations to remain agile and resilient in dynamic environments. According to a study by Thomas (2017) explored the relationship between leader responsiveness to employee attitudes and behavior, and found that managerial responsiveness relate significantly with job satisfaction, organizational commitment and employees behavior and Bower

(2010), responsive strategies enable organizations to quickly adjust their operations in respect and response to market shifts and customers preferences.

Reactive Managerial Behavior

Reactive managerial behavior involves responding to situations as they occur, rather than initiating actions, research often highlights that reactive managers may struggle with handling unexpected events efficiently but can excel in crisis management scenarios. Studies suggest that reactive behaviors can lead to short term fixes and firefighting, potentially neglecting long-term strategic planning and innovation, and it may rely on established routines and procedures, which can be beneficial for stability but may hinder adaptation and responsiveness to rapid changes Reactive managerial behavior focuses on responding to immediate challenges and unexpected events within the organizational environment.

Vogus & Sutcliffe (2019) highlight the importance of ambidextrous organizations that balance exploitation of existing capabilities with exploration of new opportunities. This dual approach allows organizations to react swiftly to cries while fostering innovation and adaptation. And they defined reactive behavior as actions taken in response to crisis or disruption, often characterized by a focus of short-term solutions. Vogus & Sutcliffe (2019) extend the concept of reactive behavior to the organizational level, pointing out its implications for resilience and they integrate insights from crises management, organizational learning and resilience research to develop a more comprehensive understanding of the reactive behavior. By developing practical implications like: Organizations should strive to balance reactive and proactive strategies to build resilience and Managers should encourage a culture of learning, experimentation, and continuous improvement to reduce reliance on reactive behavior. In the word of Teece, (2014) further explore reactive behaviors in their discussion on understanding dynamic capabilities. They argue that reactive responses are crucial for organization to manage crises effectively and maintain operational continuity during periods of disruption.

Reactive managerial behavior also involves responses to instant challenges, crises or event that threaten organizational stability. It is characterized by swift decision making and crises management strategies aimed at mitigating the impact of disruption, aspects of reactive managerial behavior includes, crisis management, adaptive to external shocks and short time focus.

Organizational Culture

Organization Culture has been identified as a key factor in the development of organizational performance (Szymanska, 2016). The role of organization culture in encouraging organizational competitiveness, internal cohesiveness and different workforce improvements have made it crucial requirement for advancing corporate survival, development and advancement. Culture is that element that differentiates an organization from others with regards to innovation, change management, risk appetite, consistency and decisiveness (Yilmaz & Erdun, 2018). The culture organization is represented by the values, beliefs, customs and traditions of the organization. Schein (2019) postulate that organizational culture is more vital today with the advent of the data age, which has become a formidable force to reckon with and is further amplified by the prevalence of technological advancements greater than what was achievable in the past.

The concept of culture has been subject to various definitions and interpretations. Parson & shills (2020) defined culture as a system of use, norms and symbols that control the processes and actions people undergo in decision making. They also argue that culture shapes the way people interrelate with one another. Similarly, Stan McChrystal (2015) Define Organizational Culture as a collection of habits, norms, and expectations that state how people interact with each other and with the organizations as a whole. It has been argued by scholars that organizational culture has its value and its core; a system shared values that significantly influence behavoiur in the work place.

Theoretical Framework

Behavioural Theories of Leadership

Founders: Stephen Robbins, Bernard Bass, and Michael Higgs

Year: Developed over several years, with key publications in 2018, 2019, and 2020

Place: United States (Robbins) and United Kingdom (Bass and Higgs)

Aim: To identify specific leadership behaviors or styles that influence subordinates' performance and satisfaction.

Application: 1. Training programs: To develop effective leadership skills.

2. Leadership development: To improve leadership style and behaviors.

3. Organizational management: To adapt leadership style to suit situation, culture, and employees.

Assumptions: 1. Leadership is not innate, but can be developed.

2. Effective leadership depends on various factors (contingency perspective).

3. No single best method of leadership exists.

The Behavioral Theory of Leadership offers valuable insights into the importance of leadership style and behaviors. By understanding initiating structure and consideration, leaders can develop effective strategies to improve performance and satisfaction. 1. Initiating Structure (Task-Oriented Leadership): Defines roles, organizes tasks, assigns work, establishes communication networks, and evaluates performance. 2. Consideration (Relationship-Oriented Leadership): Focuses on mutual trust, respect, two-way communication, and maintaining group cohesiveness.

Empirical Review

Ahmet (2013), Title: The Effects of Managers' Behavior on Motivation of the Workers. Objective: To determine the behavioral styles of managers in achieving organizational goals and objectives and their impact on employees. Problem of the Study: To assess how managers' behavior affects employee motivation and organizational efficiency. Methodology: 1. Participants: 1,546 teachers in Gaziosmanpasa University, Turkey. 2. Sample Size: 400 teachers selected through random sampling. 3. Research Design: Non-random sampling method. 4. Data Analysis: Correlation analysis. Findings: 1. Managers' behavior significantly influences employee motivation. 2. Teachers perceive managers as having positive behaviors. 3. Positive managerial behaviors enhance teacher motivation and organizational survival. Conclusion: Effective management, characterized by responsible and empathetic leaders, is crucial for corporate efficiency and productivity. Managers must be attentive to their behavior, valuing and understanding employees to achieve organizational goals.

METHODOLOGY

The study anchored on positivism as philosophical underpinning. The cross-sectional research design was used for this study. The study population comprises of seven (7) oil and gas firm in Bonny local government area in Rivers State. The primary data collection method was used through structured questionnaire. 58 copies of the questionnaire were retrieved and analyzed using descriptive statistics for demographic and univariate data while Spearman's Rank Order Correlation

Coefficient Statistic was applied for hypotheses testing through Statistical Package for Social Science (SPSS Version 22.0).

The sample size of the study was seventy (70) managers. One (1) manager was drawn from each of the ten (10) functional departments in each of the seven (7) oil and gas firms studied. The study adopted the purposive or judgmental sampling of non-probability sampling technique in selecting these seventy (70) respondents from ten (10) functional departments of the oil and gas firms in Bonny Local Government Area of Rivers State. These departments are: 1. Operations (A); 2. Production (B); 3. Finance (C); 4. Human Resource (D); 5. Commercial (E); 6. Health/Safety (F); 7. Information Technology (G); 8. Logistics (H); 9. Corporate Affairs (I); 10. Project Management (J) respectively

S/N	FIRMS	A	B	C	C	E	F	G	H	I	J	TOTAL
1	Shell	1	1	1	1	1	1	1	1	1	1	10
2	ExxonMobi	1	1	1	1	1	1	1	1	1	1	10
3	Chevon	1	1	1	1	1	1	1	1	1	1	10
4	Total E&P Nigeria Ltd	1	1	1	1	1	1	1	1	1	1	10
5	Nigeria Agip Oil Company	1	1	1	1	1	1	1	1	1	1	10
6	Nigeria National Petroleum Company Ltd.	1	1	1	1	1	1	1	1	1	1	10
7	National Liquefied Natural Gas	1	1	1	1	1	1	1	1	1	1	10
	TOTAL NUMBERS OF MANAGERS											70

Source: Field Survey (2024)

The data collection in research concerns the various sources and instruments to be utilized in the generation of data for the study. In this study, data were sourced primarily using the structured questionnaire instrument. The questionnaire was designed in an open-closed structure. The questionnaire was divided into three major sections, where the section A was an introductory letter to the respondent, section B was respondents bio data and section C was question items arranged in Likert four (4) points modified pattern, ranging from strongly agreed, agreed, disagreed and strongly disagreed.

The validity test addresses the essence and measuring capacity of the instrument to measure what it was designed to measure. Validity tests are carried out to ensure that the instrument is truly effective in capturing data which reflects opinions or views that actually translate to the focus of the study. To test the validity of the research instrument, the construct (convergent and discriminate), as well as the face validity test will be adopted. Instruments were cross-examined by at least 3 scholars within the management discipline, including the project supervisor, were modifications can be effected before actual field survey.

The reliability test in social research was carried out to ascertain the clarity of the instrument and its reliability based on the shared understanding of the members of the population or sample of interest. The reliability test for the study bridges the researcher's expectations with the populations interpretations by assessing the clarity of the instrument utilized in the study. For this study, the Cronbach alpha reliability instrument was adopted to test for reliability. The Cronbach alpha was considered useful where its degree of measure was sign at 0.68.

Thus, the reliability test advances clarity and a restructuring of instruments in a clear and concise manner.

Reliability Analysis

S/No	Item	Mean	Std. Dev.	Cronbach's Alpha
1	Proactive	3.57	1.16	
2	Responsive	3.62	1.15	
3	Reactive	3.71	1.07	
4	Profitability	3.52	1.31	
5	Market Share	3.50	1.32	
6	Return on Investment	3.00	1.27	
	Cronbach's Alpha			0.71

Source: Field Survey, (2024)

From the table above, it was indicative that the cronbach alpha value was significant at the sign of 0.71 measured, while the mean value of each item measured were also positively significant at a value ≥ 3.00. Hence respondents were unanimously in their agreement and understanding.

Administration of the questionnaire required the use of one (1) trained research assistant in each of the firm studied. Filled questionnaires were retrieved back within a relative time period.

The Spearman's rank order cross-sectional coefficient will be considered useful on the basis of its flexibility and applicability in testing both ordinal and interval scaled variables. Also, as a non-parametric tool, the Spearman's rank order cross-sectional coefficient supports the test for cross-sectional on variables that may be linear or non-linear in their relationships. These factors not only position the tool as an effective and useful instrument for this study, but admit to its non-emphasis on data parameters and the assumptions of data normality in the test for the relationship between constructs (Kothari, 2010). The partial cross-sectional test is also considered a non-parametric tool suited to evaluating data which is either ordinal or interval scaled or non-linear. Spearman's rank-correlation coefficient statistical tool will be used to test and analyse hypotheses stated in the study. Partial correlation coefficient will be used for analysing moderating variable of the study. The

Spearman's rank formula is stated as follow:

$$\rho = 1 - \frac{6\Sigma\, \mathrm{d}_i^2}{n(n^2 - 1)}$$

Where: p = Spearman correlation coefficient; n = Number of cases in the sample**;** R1 = independent variable; R2 = dependent variable; ∑ = Summation. The equation enabled the researcher to determine the nature of relationship between the independent (R1) and dependent (R2) variables in the study.

Summary of Hypotheses Tested

The results generated from the study indicate that managerial behavior has a positive correlation with organizational survival and as such contributes to outcomes such as profitability, market share and return on investment of studied firms

Summary on Test of Hypotheses on all Variables

S/N	Statement of Hypotheses	Spearman (PV)	Magnitude	Decision	Conclusion
H_{o1}	There is no significant relationship between proactive and profitability	0.48 (0.00)	Moderate	Reject	Significant
H_{o2}	There is no significant relationship between Responsive and market share	0.44 (0.00)	Moderate	Reject	Significant
H_{03}	there is no significant relationship between Reactive and return on investment	0.53 (0.00)	Moderate	Reject	Significant

4. Summary of Findings

1. There was a positive significant relationship between proactive behavior and profitability in the studied firms
2. There was a positive significant relationship between proactive behavior and market share in the studied firms
3. There was a positive significant relationship between proactive behavior and return on investment in the studied firms
4. There was a positive significant relationship between responsive behavior and profitability in the studied firms
5. There was a positive significant relationship between responsive behavior and market share in the studied firms
6. There was a positive significant relationship between responsive behavior and return on investment in the studied firms
7. There was a positive significant relationship between reactive behavior and profitability in the studied firms
8. There was a positive significant relationship between reactive behavior and market share in the studied firms

Conclusion

On the basis of the findings and discussions of this study, the results show that there is a significant relationship between managerial behavior and organizational survival of studied firms. There is a significant relationship between all the dimensions of managerial behavior (pro-active, responsive and reactive) and measures of organizational survival (profitability, market share, and return on investment). Organizational culture significantly impacts on the relationship between managerial behavior of oil and gas firms studied.

Recommendations

The recommendations in this study rest on the findings, and conclusions drawn. Hence, the followings recommendations were made:

i. Managers should continue to seek for opportunities that can drive their market competitiveness.
ii. Managers should establish market share dominance as a significant antecedent of market that can drive their organizational survival.
iii. Managers should invest on uncertainty as a significant antecedent of future returns that can drive investment stability.

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